CANADEXPORT

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Avian flu: Canadian businesses need a plan

Some 250 Canadians who live and work in Cernavoda, a town of 20,000 people in eastern Romania, were among the first Canadians to experience disruptions from the avian flu virus after its discovery in the Danube delta this year led to travel restrictions in the area.

AP Photo/Vadim Ghirda

A Romanian health worker sprays bird flu disinfectant on a truck transporting goods from Turkey, where there was an outbreak of bird flu cases in humans.

While no one became ill, the episode was evidence that Canadians who do business abroad will be among the first to feel the effects of an influenza pandemic. Both government and industry officials are urging Canadian exporters to get ready now even though no one knows when or how it will hit.

What's at stake besides the risk to human health? "In many instances, it's the survival of the business," says Perrin Beatty, President of the Canadian Manufacturers and Exporters (CME), Canada's largest trade and industry association.

In its recent publication, *Pandemic Preparedness Plan for Canadian Business*, the CME recommends businesses name a pandemic coordinator and identify essential employees and critical inputs such as raw materials and suppliers. It also recommends forecasting employee absences and training and preparing an ancillary workforce—retirees, perhaps—who can step in if needed.

Once a pandemic is declared, the CME says businesses should have guidelines in place to minimize contact between people by limiting travel, plan for telecommuting and flexible work hours, establish cough etiquette and decree mandatory sick leave should people become ill.

In addition, businesses should have plans for evacuating people working in an affected area and for dealing with employees returning from affected areas.

In a recent seminar sponsored by the Gartner Group on business continuity planning for a pandemic, 50% of the participants said their organization had appointed a person responsible for pandemic planning, and only 35% had developed a business continuity plan specifically for pandemic influenza.

It's impossible to predict how big any disruptions could be in a pandemic, how long they might last and what their lasting effects could be. There are just too many unknowns.

But the cost to the world economy is potentially enormous: the World Bank, in its report *Avian Flu – Economic Impact*, notes that the SARS outbreak in East Asia resulted in a 2% drop in East Asia's GDP in the second quarter of 2003.

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"A 2% loss of global GDP during an influenza epidemic would represent about $800 billion a year. In the worst case scenario, it would have a truly devastating effect on human population and on the world economy."

And three years after the fact, Toronto is still dealing with fallout from the SARS outbreak. Andrew Weir, Vice-President of Communications for Tourism Toronto, said some conventions slated for 2007 were cancelled three years ago and not re-booked.

The World Health Organization (WHO) is monitoring the evolution of the avian flu virus and will declare a pandemic once widespread human-to-human transmission of a new virus is confirmed.

"Once a pandemic has begun, political leaders will be under great pressure to protect their citizens," notes the WHO in a document entitled *Responding to the Avian Influenza Pandemic Threat: Recommended Strategic Actions*. "Countries with pandemic response plans, ideally rehearsed in advance, will be in the best position to make decisions and take actions rapidly."

The same applies to business

Beatty says that the key is to have a business continuity plan in place that ensures that should a pandemic strike, you have considered the potential danger points to your business, both in terms of your suppliers and your own operation.

For exporters, planning is complicated by the fact that they will have to deal with conditions in other countries, where the pandemic may strike first and where planning may be different.

Ruth Archibald, the senior coordinator for pandemic preparedness at Foreign Affairs and International Trade Canada, says the difference between a flu pandemic and other disasters such as earthquakes is that a pandemic will affect human resources rather than infrastructure. That is why, in many cases, making sure people have the ability to work from home will be critical. But the response has to be planned in advance.

"Businesses need to plan for it, and travellers and people working abroad need to understand what is available and what is not available from Canadian consulates and embassies," she says.

The World Bank notes that one lesson from the SARS episode is that a prompt and transparent public information policy could help reduce the economic costs of the epidemic.

For more information on CME's *Pandemic Preparedness Plan for Canadian Business*, go to www.cme-mec.ca.

Related avian flu websites:

- **Government of Canada Pandemic Portal:** www.influenza.gc.ca
- **Foreign Affairs and International Trade Canada:** www.international.gc.ca/avianflu-en.asp
- **Public Health Agency of Canada:** www.phac-aspc.gc.ca/influenza/index.html
- **Health Canada:** www.hc-sc.gc.ca/iyh-vsv/diseases-maladies/avian-aviare_e.html
- **Canadian Food Inspection Agency:** www.inspection.gc.ca www.beaware.gc.ca
- **U.S. government:** www.PandemicFlu.gov
- **World Health Organization:** www.who.int/csr/disease/avian_influenza/en/index.html
- **World Bank:** www.worldbank.org
- **Centers for Disease Control and Prevention** (includes business planning checklist): www.cdc.gov/business

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The allure of India: transportation opportunities just the start

Living in a nation that stretches from the Himalayas to the tropics, India's billion-plus people make up the world's largest democracy. But the sheer size of the country and its urgent need for development mean that it has an almost insatiable demand for goods and services—a demand that Canadian companies are well-positioned to fill.

To begin with, India's transportation networks are in poor repair. Upgrading the country's roads, railways, seaports and airports will require hundreds of billions of dollars of investment during the next few years. In the energy sector, India hopes to double its electrical generation capacity by 2012. Environmental quality, largely because of the economy's rapid growth, needs attention. Agricultural development will demand new storage, packaging and distribution systems.

In each of these sectors, Canada has both the capacity and skills to provide what India needs.

This is already beginning to happen. According to Statistics Canada, merchandise exports to India earned Canadian businesses $764 million during 2003. This was an increase of 13.4% over 2002 and, because of under-reporting, could be some 20% higher—which means that Canada's average exports to India are closing in on a billion dollars a year. It's no wonder Canadian firms are discovering the allure of India.

A market like no other

India may, in fact, be the most important emerging market in the world. Its economy is already the 12th-largest and is expanding quickly, with an expected GDP growth during 2004-2005 of between 6 and 7.5%. At the same time, however, about 65% of its people are villagers whose living depends on agriculture; poverty is widespread, and poor infrastructure could be an impediment. In the large cities, millions of people crowd into cramped quarters, putting enormous strain on transit systems, water supplies and waste disposal facilities.

In 1991, the Indian government, recognizing that faster economic development could help deal with such problems, began to introduce reforms to liberalize the economy. Among the changes were deregulation of industry, sharp reductions in customs tariffs, lower domestic taxes and simpler rules for foreign investment. As a result, the Indian economy began a steady expansion that has continued to this day.

Economic liberalization isn't the only contributor to India's increasing prosperity. One of the country's greatest strengths is its deep labour pool of highly educated, English-speaking workers, turned out by excellent schools and colleges teaching from high-quality curricula. Technical education is widely available; the country has thousands of engineering colleges offering degrees and diplomas, while more than 800 institutions concentrate on advanced computer training alone.

It all adds up. From April to September 2004, for example, India's GDP growth stood at 7%, despite a weather-related drop in agricultural output. According to the Indian Ministry of Statistics and Programme Implementation, the services sector and the industrial sector did especially well during this period, growing at rates of 8.25% and 8.02% respectively. On the consumer side, lower interest rates (now about 7%, compared with 12% in 1996) have also contributed to the country's economic expansion.

The revamping of India's transport system is still in low gear.

A reasonable forecast for economic growth during 2005-2006 is 6-7%, although the Indian government has established a target of 8% for the period. But no matter which prediction turns out to be correct, Canadian businesses will continue to find new horizons in the east.

For more information on the Indian market, go to Team Canada Inc's new India portal at www.canadaindiabusiness.ca.

Virtual Trade Commissioner

Access a World of Trade Knowledge

Are you a Canadian company ready to export? Have you selected your target markets and developed an export strategy? Do you find that you are spending hours sifting through mountains of websites searching for good market information? If you have answered "yes" to these questions, register as a client of the Canadian Trade Commissioner Service and receive a Virtual Trade Commissioner.

Timing is everything

Timely notice of a good lead or a hot piece of market intelligence can make all the difference to your company—alerting you to a new buyer, a new market or an opportunity for success. We know that you don't always have time to search for this information, so we've improved our notification system to make it easier for you to get the information you want when you want it.

Now you can tell your Virtual Trade Commissioner to forward you business leads and market information on a daily, weekly or monthly basis. You can even choose a specific day of the week or month to be notified.

Once you've set your desired frequency, you'll receive an informative email newsletter that automatically bundles content relevant to your company profile. There's no searching involved; your subscription has links that bring you directly to the specific leads, market reports or articles you're interested in.

All you have to do is choose the frequency of your subscription and let your Virtual Trade Commissioner do the rest.

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From the main page of your Virtual Trade Commissioner:

- Go to "Your Account"
- Click on "Modify or cancel your subscription... email notifications"
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- Save your choice.

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www.infoexport.gc.ca

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International market access priorities now available

The Government of Canada will deepen access to the U.S. market and continue to pursue foreign investment agreements with China and India, says David Emerson, Minister of International Trade, in his annual trade report.

The 2006 edition of *Opening Doors to the World: Canada's International Market Access Priorities* was released in June and outlines the Government of Canada's priorities for improving access for goods, services and investment in key foreign markets for Canadian exporters and investors and highlights significant results from 2005.

In addition, the government will seek a free trade agreement with South Korea and build on the economic framework and ongoing joint study with Japan. Another priority is to work for an ambitious outcome to the World Trade Organization's Doha Development Agenda negotiations.

A new tool

A trade and investment barriers database that accompanies the report identifies commercial barriers and presents key information for Canadian businesses. It is a useful tool for exporters, or those weighing their export options, to develop an increased knowledge of markets they might wish to enter and learn about issues that may affect their decisions. For more information on this database, go to http://wo1.international.gc.ca/CIMAP/Default.aspx?Language=en.

For more information, go to www.dfait-maeci.gc.ca/tna-nac/cimap-en.asp. To obtain hard copies of the report, email: consultations@international.gc.ca.

Web helps aboriginal business connect

Developing solid business relationships is essential for companies looking to succeed in foreign markets. But making personal connections can be expensive and time-consuming. A recent trade mission that relied on the web proves getting in touch needn't be a drain of time nor money.

Last spring, aboriginal businesses in Toronto and Phoenix used a virtual trade mission—a first for aboriginal groups—to explore ways in which e-health and e-learning technologies could improve health and education services in their communities. This has led to a full fledged trade mission to Phoenix later this year.

That is good news for Canadian aboriginal groups and exporters who want to deliver services like e-health and e-learning in a cost-effective way, especially to remote communities.

Some participants thought the virtual trade mission was an excellent way to lay groundwork for a trade mission between two communities without the cost of ever leaving home and many said they hope to see more of this kind of web-based initiative.

Participants included Lewis Staats of Ontario's Six Nations of the Grand River Territory and Olivia Sloan of the Inter-tribal Council of Arizona. They were joined by aboriginal communities on both sides of the border, and representatives from government, e-learning and e-health businesses. The event was organized by the Government of Canada and the New Media Business Alliance.

For more information, contact Eleonore Rupprecht, Foreign Affairs and International Trade Canada (Toronto Regional Office), email: eleonore.rupprecht@international.gc.ca, website: www.infoexport.gc.ca.

French food fair cooks up sales

Paris, October 22-26, 2006 > Take part in the **Salon International de l'Alimentation**, or SIAL, a food and beverage trade show. Last year, some 30 Canadian exhibitors reported 1,200 sales leads that are expected to generate over $10 million in sales.

This should come as no surprise, given that SIAL is the world's largest food industry event and attracts more than 135,000 trade professionals looking to find suppliers and buy new products. The fair also brings together over 5,000 exhibitors from 99 countries, ranging from small and medium-size enterprises to multinational companies.

Agriculture and Agri-Food Canada is organizing the Canadian pavilion at this popular event, so book now as spaces are filled on a first-come, first-served basis.

For more information, contact Denise Gravel, Agriculture and Agri-Food Canada, tel.: (613) 759-7746, email: graveld@agr.gc.ca, website: www.ats.agr.gc.ca/events/4122_e.htm.

Trade mission to feature Canadian artists

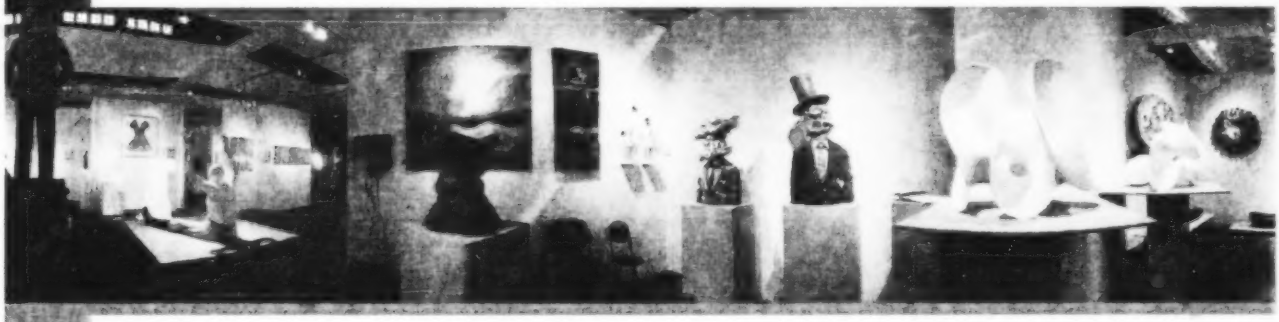
Chicago, November 10-12, 2006 > Canadian artists and gallery owners looking to the U.S. market may want to consider the **Sculpture, Objects & Functional Art (SOFA) Show**, a fine arts show for high-end glass, ceramics, wood, metal, fibre and sculpture. Once again, the Canadian Consulate General in Chicago is planning a trade mission to this popular event.

Last year, 45 Canadian participants—including artists, gallery owners and provincial art councils—learned about exporting to the U.S. market and met with industry experts. The 2005 edition featured over 80 juried galleries from around the world.

"Since its beginnings, SOFA has been a strong venue for Canadian gallery participation," says Ann Rosen of the Canadian Consulate General in Chicago. "For seven years, the Canadian SOFA trade mission has educated over 170 artists and galleries and has exposed them to this high-end market. The one-day educational session, combined with visits to the show and to outside galleries, gives each participant a true understanding of what it takes to sell into the U.S. market."

The trade mission aims to increase exposure of Canadian artists and their work and broaden the Canadian arts community's presence in the U.S. Midwest. The participation deadline is October 18, 2006, and registrations are booked on a first-come, first-served basis.

For more information, go to www.chicago.gc.ca and click on "Trade and Investment" or contact Ann Rosen, Canadian Consulate General in Chicago, tel.: (312) 327-3624, email: ann.rosen@international.gc.ca, website: www.sofaexpo.com.



IT show a portal to Middle East market

Dubai, November 18-22, 2006 > The Canadian Consulate in Dubai will organize a national pavilion at this year's **Gulf Information and Technology Exhibition** (GITEX).

Not only is GITEX a worthwhile forum for Canadian IT firms to promote their products and services, but Dubai is fast becoming the IT hub for the Middle East's 1.9 billion consumers. This fair grows considerably every year, and this year some 100,000 trade visitors are expected. While most come from the Gulf countries, many also come from other parts of the Middle East, Asia and Africa.

The U.A.E. has an open economy with high per capita incomes. While the oil and gas sector still figures prominently, the country has taken steps to reduce this dependency by developing sectors like finance and IT and that means more opportunities for Canadian IT companies.

In fact, the country is going through an exceptional period of growth in the IT industry, specifically with the software, hardware and telecommunications markets. To promote Dubai as a centre for technology, the Dubai Technology, Electronic Commerce and Media Free Zone Authority was created. Its most significant initiative to date was the establishment of Dubai Internet City, a $700 million technology infrastructure project.

For more information, contact Fouad Soueid, Canadian Consulate in Dubai, tel.: (011-971-4) 314-5555, email: fouad.soueid@international.gc.ca, or Venky Rao, the organizer's representative in Canada, tel./fax: (905) 876-7815, email: dwtc@rogers.com, website: www.gitex.com.

Should I stay or should I go?

While business travel can be exciting, it can also be expensive and time consuming. New exporters do not always have the resources to visit new markets on a regular basis. The key is to know when to visit your target market. While not all export ventures require travel, most exporters would benefit from a business trip in certain specific circumstances.

The planning stage: For many exporters, one of the best methods for studying the market is to visit it and conduct some primary research.

Meeting with key clients or attending trade events: Building relationships is often enhanced by meeting face to face. This also illustrates to prospective clients that you respect them and take them seriously enough to make a personal visit.

Troubleshooting: Exporting is a complex and multi-faceted task. If problems arise, you want to know firsthand what they are and how to resolve them.

Expansion: Exporting can also be very rewarding and profitable. Consequently, you may wish to explore possibilities for growing foreign operations in person.

Before you go, take a look at Team Canada Inc's online guide, *Planning a Business Trip Abroad*. It's available at www.exportsource.ca/trip, or call toll-free 1 888 811-1119 for help in planning your export ventures.

China hosts food and hospitality fair

Shanghai, November 30 - December 2, 2006 > The Canadian Consulate General in Shanghai, along with Agriculture and Agri-Food Canada, will once again organize a Canada pavilion at **Food & Hospitality Industry 2006** (FHC).

FHC, formerly Food & Hotel China, is dedicated to the Chinese food and hospitality markets and will feature exhibits of wine and spirits, confectionery, baked goods as well as the dynamic hospitality and retail tech sectors. FHC is the longest running international food exhibition in China.

Canadian agri-food products are popular in China given their reputation for safety and high quality. Canadian processed and packaged foods, meats, seafood, dairy products and beverages are all priority products.

For more information, go to http://ats.agr.ca/events/4129_e.htm, or contact Dora Wang, Canadian Consulate General in Shanghai, tel.: (011-86-21) 6279-8400, fax: (011-86-21) 6279-7456, email: dora.wang@international.gc.ca, or Blair Gowan, Agriculture and Agri-Food Canada, tel.: (613) 759-7524, fax: (613) 759-7506, email: gowanb@agr.gc.ca.

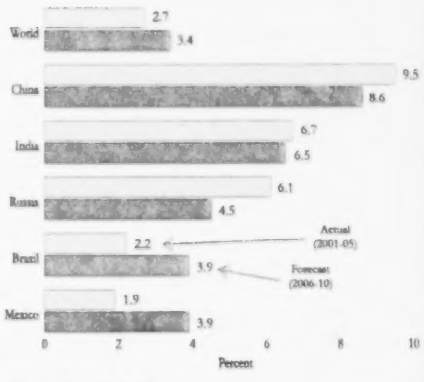
FACTS & FIGURES

Brazil's growth is forecast to stay lower than other major emerging markets

Brazil's average economic growth is forecast to increase over the next five years. However, this growth is expected to be lower than other large emerging markets. Over the past five years, Brazil experienced growth of 2.2% per year, on average. This was much lower than that of China, India, and even Russia, all of which had triple to quadruple the growth of Brazil. During the next five years, Brazilian average growth is expected to increase significantly to 3.9%, exceeding the forecast global average of 3.4%. But although growth in China and India is expected to slow slightly, they will still surpass Brazil, with 8.6% and 6.5% respectively over 2006-10.

Provided by the Current and Structural Analysis Division, Office of the Chief Economist (www.international.gc.ca/eet).

Annual Average GDP Growth



Data: Global Insight

TRADE EVENTS

BUILDING PRODUCTS

New Delhi, October 26-28, 2006 > **Interbuild India** is an international exhibition on the building, construction and interiors sectors—industries worth some $60 billion and growing.
Contact: Viney Gupta,
Canadian High Commission in New Delhi,
tel.: (011-91-11) 4178-2000,
email: viney.gupta@international.gc.ca,
website: www.interbuild-india.com.

Shanghai, November 21-24, 2006 > **Bauma China** is an established trade fair for the building and building materials industry, attracting some 50,000 visitors from China and around the world.
Contact: Henrike Burmeister,
Messe München GmbH,
tel.: (011-49-89) 949-20245,
fax: (011-49-89) 949-20249,
email: Henrike.Burmeister@messe-muenchen.de,
websites: www.bauma-china.com and www.bauma.de.

CONSUMER GOODS

Helsinki, November 3-5, 2006 > **SkiExpo** is the Nordic countries' biggest winter sports and travel fair. This year, Canada is a key partner for organizers.
Contact: Johan Nyman,
Canadian Embassy in Finland,
tel.: (011-358-9) 2285-3354,
fax: (011-358-9) 601-060,
email: johan.nyman@international.gc.ca,
website: www.finnexpo.fi/skiexpo.

CULTURAL INDUSTRIES

Nashville, November 16-21, 2006 > **National Council of Teachers of English Annual Convention** has worked to advance teaching, research and student achievement in English language arts at all scholastic levels.
Contact: The National Council of Teachers of English,
tel.: (217) 328-3870 or 1 877 369-6283,
fax: (217) 328-9645,
website: www.ncte.org/profdev/conv/annual.

Guadalajara, November 25-December 3, 2006 > The **Guadalajara International Book Fair**, part of the University of Guadalajara, is one of the most important publishing events in the Spanish-speaking world.
Contact: Guadalajara International Book Fair,
tel.: (011-52-33) 3810-0331 (or 3268-0900),
fax: (011-52-33) 3268-0921,
email: fil@fil.com.mx,
website: www.fil.com.mx.

Toronto, September 25-26, 2006 > **International Business Transactions: Maximizing Business Opportunities in China, India and Other Emerging Markets** is a conference that will provide exporters with updates on business climate, legal and regulatory issues, as well as on international trade and competition law requirements in emerging markets.
Contact: Insight Information,
tel.: 1 888 777-1707,
fax: 1 866 777-1292,
email: order@insightinfo.com,
website: www.insightinfo.com.

ICT

Hong Kong, October 13-16, 2006 > **ElectronicAsia**, an international trade fair for components, assemblies, electronic products and display technology, is the leading event for the electronics and related industries in Asia.
Contact: Brigitte Mertens,
Munich International Trade Fairs Canada,
tel.: (416) 237-9939,
fax: (416) 237-9920,
email: bmertens@canada-unlimited.com,
website: www.canada-unlimited.com.

MULTI-SECTOR

Budapest, November 9-11, 2006 > **BuyBrands Show** is an international franchise exhibition that attracted some 80 exhibitors and over 4,500 visitors last year—an 80% increase over 2004.
Contact: Krisztina Molnar,
Canadian Embassy in Hungary,
tel.: (011-36-1) 392-3360,
fax: (011-36-1) 392-3390,
email: krisztina.molnar@international.gc.ca,
websites: www.kanada.hu and www.dakexpo.com.

Munich, November 14-17, 2006 > **Electronica** is an international trade fair for the global electronics industry that focuses on automotive, wireless, micro technology and embedded applications.
Contact: Canada Unlimited Inc.,
tel.: (416) 237-9939,
fax: (416) 237-9920,
email: bmertens@canada-unlimited.com,
website: www.canada-unlimited.com.

OCEAN TECHNOLOGIES

New Delhi, November 2-4, 2006 > **Water Asia** is an international conference and exhibition on water and wastewater treatment, analytical instruments, seawater treatment, desalination equipment, sewage systems and membranes. Solid and hazardous waste management have recently been added as emerging areas for business.
Contact: Viney Gupta,
Canadian High Commission in New Delhi,
tel.: (011-91-11) 4178-2000,
email: viney.gupta@international.gc.ca,
website: www.waterasia2006.com.

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